COMMANDERS DIGEST

APRIL 19, 1973

ALL-VOLUNTEER FORCE —A Report

Volunteer Force Goal Is Reached

Secretary of Defense Elliot L. Richardson has announced that the All-Volunteer Force is here, that no extension of Selective Service is necessary beyond July 1, but that Congress will be asked to expedite personnel legislation dealing with certain manning problems.

Mr. Richardson made his announcement March 21 while visiting the Air Force Academy at Colorado Springs, saying that a full-background report would be made public the next day. (See page 3.)

The following is part of Secretary Richardson's announcement.

"I am delighted to be able to announce here at the Air Force Academy, where so many fine, volunteer young men are training to serve our country, that a major new milestone has been reached in our program to fulfill President Nixon's goal of an All-Volunteer Armed Force.

"The Department of Defense, on behalf of the Nixon Administration, has today informed the Chairmen of the Armed Services Committees of the Senate and the House of Representatives that it will *not* be necessary to extend the draft induction authority beyond its expiration date of July 1. Not only have we not had to use the draft since January 1, but our recruiting and retention progress toward an All-Volunteer force now convinces us that **there is no reason to ask Congress to extend the induction authority, even on a standby basis.**

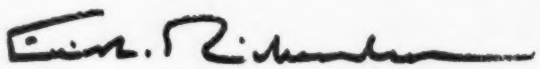
"The four Military Services have made truly remarkable progress in eliminating the draft without weakening our military forces.

"We have not solved our problem, however, and I have asked Congress to expedite passage of some additional special legislation which will help us solve some special manning problems including provision of adequate incentives to attract and retain qualified medical personnel. Basic Selective Service legislation will remain on the books, even though the specific induction authority will expire."

A Message from The Secretary of Defense

On January 27, 1973, Secretary of Defense Melvin R. Laird announced that "the Armed Forces henceforth will depend exclusively on volunteer soldiers, sailors, airmen and marines. The use of the draft has ended." Three days later I became Secretary of Defense. Let no one doubt that I count it as among my most compelling tasks to make the All-Volunteer Force a working reality.

This Special Report updates the August 1972 Report of my able predecessor and describes the remarkable progress made by the Military Services in eliminating the draft without weakening our military forces or impairing our ability to deter threats to the peace. It also describes remaining problems and their solutions.



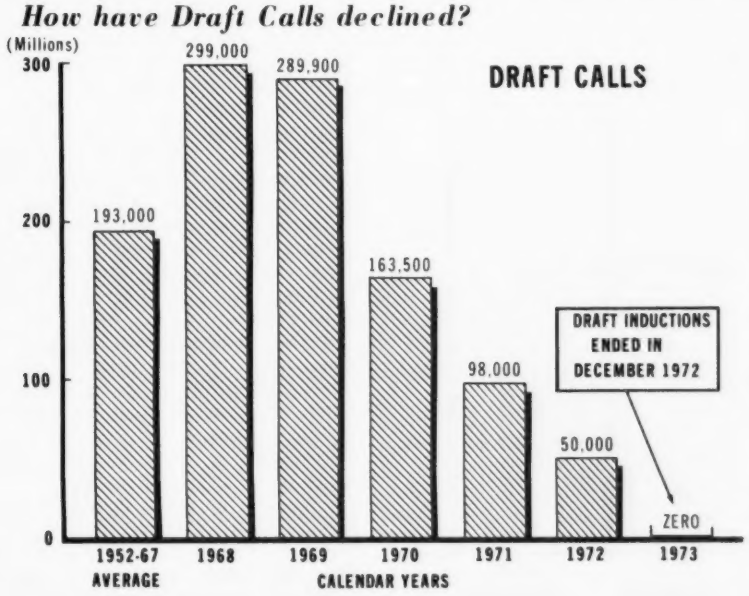
ELLIOT L. RICHARDSON

Secretary of Defense

Special Report

All-Volunteer Accomplishment Cited

VOLUNTEER FORCE—Favorable trends in male enlistments for all Services and especially the trends in true volunteers, coupled with the decline in required Active Force strength, have eliminated the need to continue the draft. (U.S. Army Photo)



The following is a transcript of a new 30-page document entitled: "Special Report of Secretary of Defense Elliot L. Richardson, March 1973—The All-Volunteer Force and The End of the Draft."

The enactment of the draft extension bill in 1971 provided two years to make the transition to an All-Volunteer Force. The transition has been made in 18 months and further extension of induction authority beyond July 1, 1973, will not be required.

In part, this remarkable achievement has been made possible by continuing reductions in Active Force strength required to meet national security commitments. From a Vietnam War peak of 3.55 million, Active Forces have declined to the end-FY 1974 baseline strength of 2.23 million.

• DRAFT ELIMINATION

From the level of 299,000 in 1968, at the height of the Vietnam War, draft calls have rapidly declined to zero. Inductions ended in December 1972.

• ENLISTMENT TRENDS

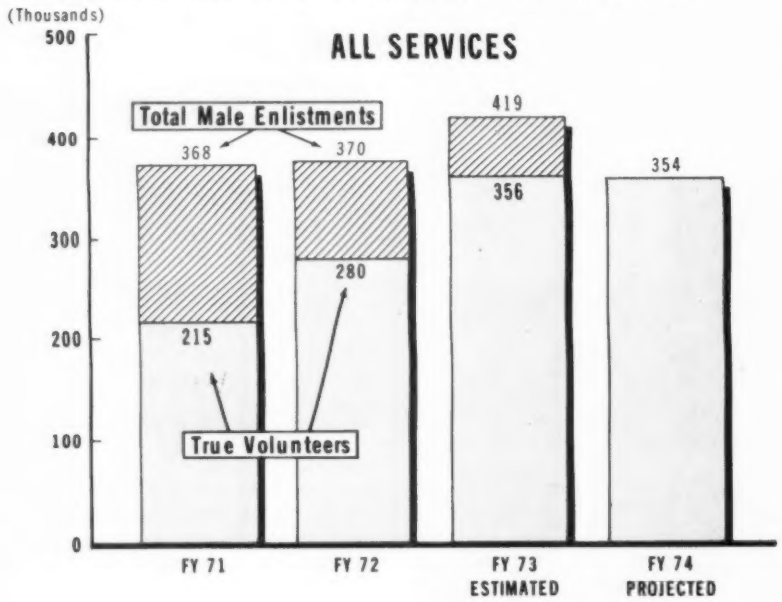
The favorable trends in male enlistments for all Services and especially the trends in true volunteers, coupled with the decline in required Active Force strength, have eliminated the need to continue the draft.

Despite the sharp drop in draft calls, overall enlistments DoD-wide have increased and the proportion of true volunteers among those who enlisted has increased from 59 percent in FY 1971 to an estimated 84 percent in FY 1973. With the termination of draft calls in December, virtually all current enlistees are true volunteers.

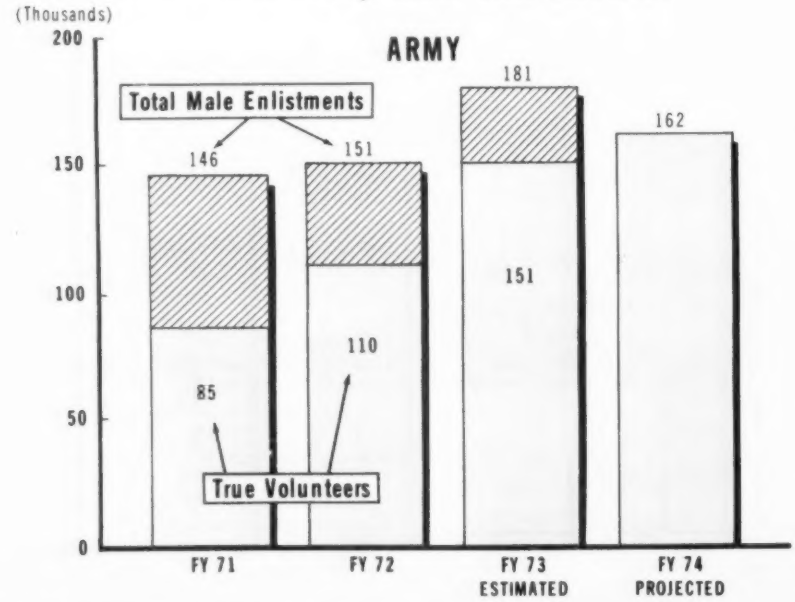
Several factors contributed to this improvement. Certainly the increase in military entry pay provided by the Congress in Public Law 92-129, which became effective in November 1971, attracted additional volunteers.

Improving the conditions of Service life, modernizing the training of person-

What is trend in Overall male enlistments?



What is trend in Army male enlistments?



nel, and renewing the emphasis on professionalism in the Services—and communicating these changes to the public—also have attracted additional volunteers.

But the factor which may have contributed most to these volunteer increases is the improved recruiting program. During the years of heavy draft pressure, military recruiting was often little more than "order taking." The draft induced many young men to enlist, and gaps in enlistments were made up by drafting more young men. The draft served as an ever-present crutch to support unaggressive recruiting.

A great and successful effort has been made to improve the quality of military recruiting and to expand the recruiting force. Highly qualified officers and NCOs are seeking and being assigned to recruiting billets. Increasingly, the military recruiter is capable of describing the challenges and satisfactions of military service and of competing effectively in the labor market with those who offer other job options. Thus, he reflects to the prospective enlistee the best of Service life.

• THE INDIVIDUAL SERVICES

—The Army, faced with the highest enlistment requirements, has made great progress. To meet its accession requirements of 162,000 new men in FY 1964, the Army must enlist 11,000 more than its expected level of true volunteers for FY 1973. The enlistment trend (see adjacent chart) indicates that, with continued improvement, the Army will meet its FY 1974 enlistment requirement.

—The Navy experienced recruiting shortages in late FY 1971 and early FY 1972, partly due to shortages in its recruiting force. The Navy has overcome these early difficulties and now is attracting sufficient volunteers to meet its requirements.

—The Marine Corps "needs a few good men" and gets them. The consistently high quality of its recruiting program, combined with stable force requirements augur well for the Marine Corps' meeting its enlistment requirements in FY 1974 and beyond.

—During the entire period of transition to the All-Volunteer Force, the Air Force has met its manning requirements with high caliber enlistees. Its effective recruiting system and the popularity of

the Air Force with young people assure its capability in meeting enlistment requirements in the future.

• GROUND COMBAT ARMS ENLISTMENTS

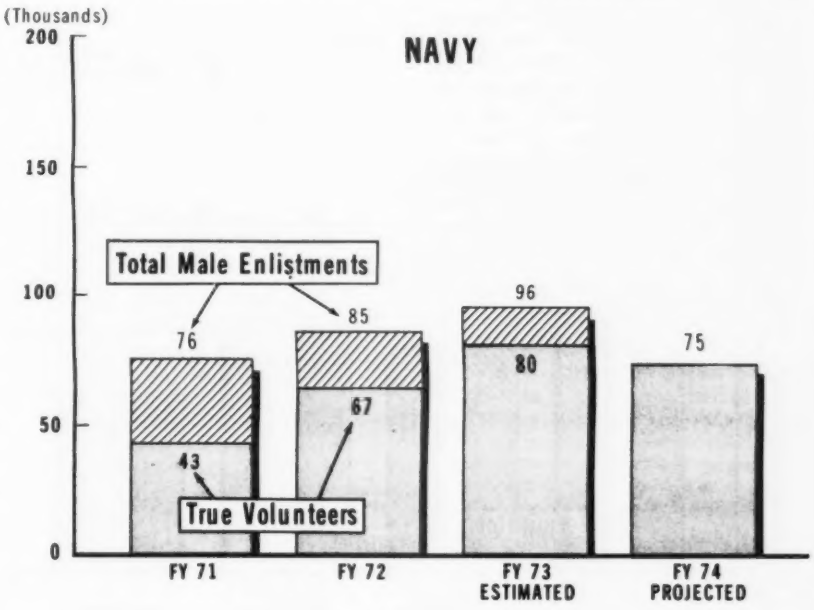
The impact of aggressive and creative recruiting is illustrated by the Army's experience in enlisting men for the ground combat arms—infantry, artillery, and armor. During July to December 1970, enlistments for these specialities averaged 227 a month compared with requirements averaging 5,000 a month. Most of the men assigned to ground combat jobs were either draftees or men who enlisted without selecting a military specialty. During July to December 1971, ground combat enlistments reached a one-month high of 3,900 and averaged slightly over 3,000 a month. Enlistments continued at this level in 1972. This spectacular rise was achieved by offering the choice of overseas locations and unit assignments to combat arms enlistees, by advertising these new options and by aggressively recruiting candidates for them.

With Army combat enlistments stabilized at 3,000 a month for one year, a test of the combat arms bonus authorized earlier by Congress was initiated on June 1. A bonus of $1,500 was offered to Army and Marine Corps ground combat volunteeers who enlisted for four years. Before the bonus test there were some Marine Corps four-year ground combat enlistments, but none in the Army.

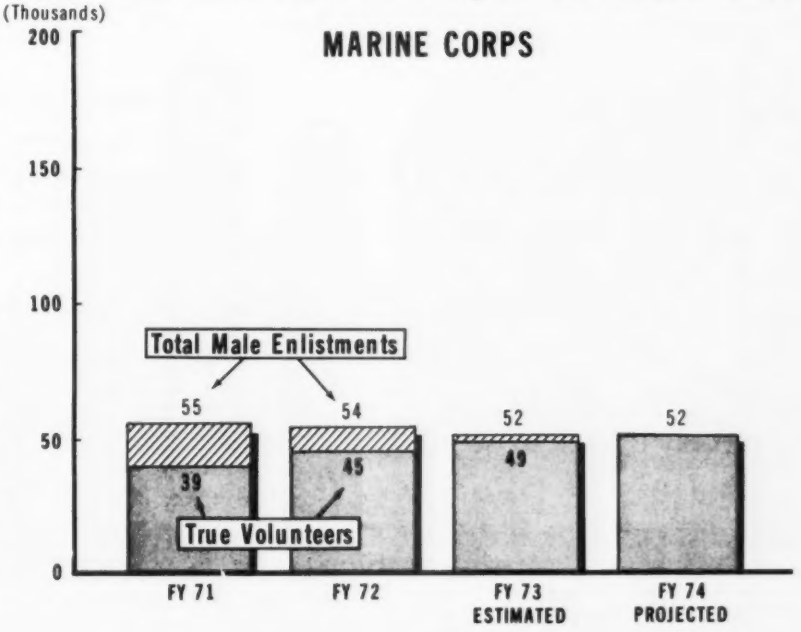
The test was originally scheduled for three months. However, its initial success in increasing combat arms enlistments and the proportion of four-year enlistments resulted in the bonus test being extended. To date, Army ground combat arms enlistments have averaged 3,825 a month—an increase of 26 percent over the pre-test period. This number of enlistments would be sufficient to fill Army combat arms requirements in FY 1974.

The longer enlistment of four years associated with the bonus, rather than two or three years without it, is significant. It will have the effect of substantially reducing the high cost of training and reducing personnel turnover in the future. It is also an indication that an enlistment bonus can be used effectively to attract people for longer enlistments in hard skills that require long training, thus further reducing the cost of training.

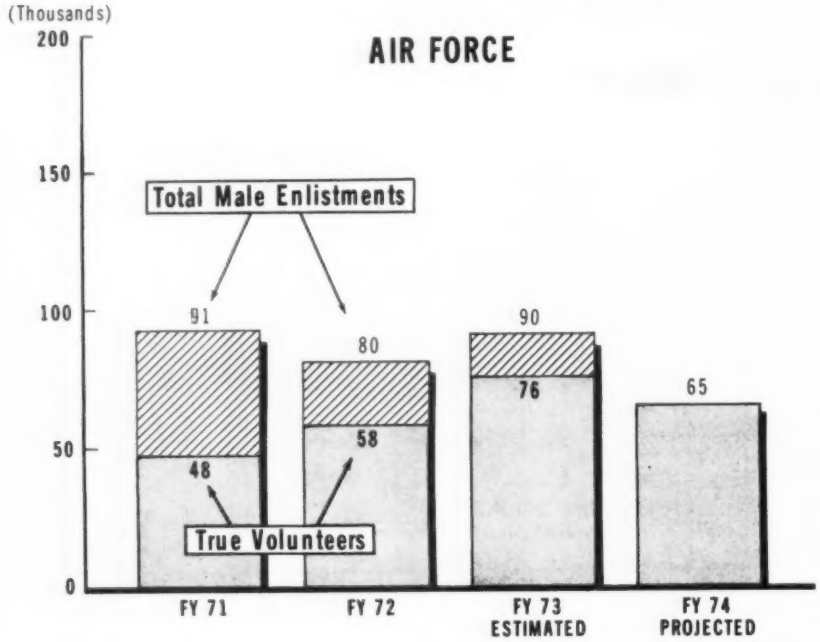
What is trend in Navy male enlistments?



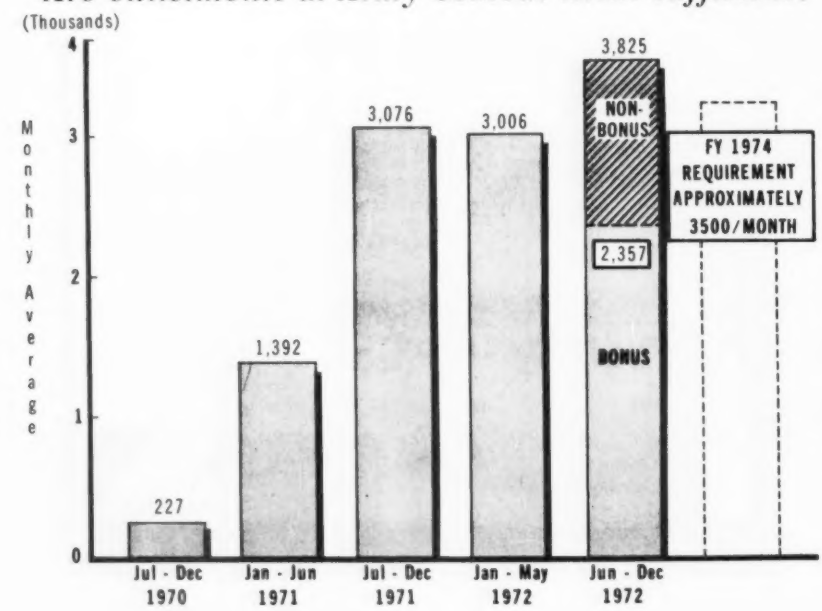
What is trend in Marine Corps male enlistments?



What is trend in Air Force male enlistments?



Are enlistments in Army Combat Arms sufficient?



• QUALITY OF ENLISTMENTS

There have been some dire predictions that ending the draft would produce an organization of substandard volunteers. Our experience does not support this claim. The quality objectives for military enlistments are being met as well or better than during earlier periods of high draft calls. These objectives are:

—To enlist people whose learning capacities match the requirements of military jobs;

—To enlist people who display self-discipline and control;

—To maintain efficiency and effectiveness of the Armed Forces; and

—To minimize military manpower costs.

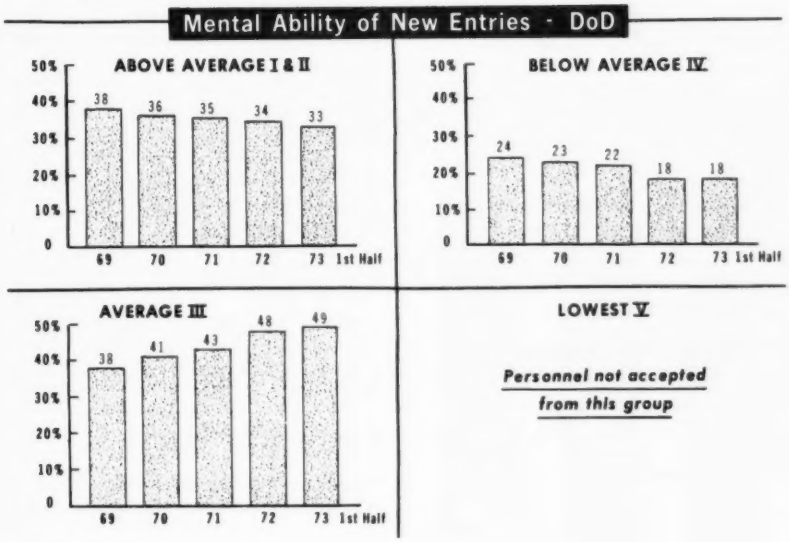
Because of the importance of maintaining the fine balance among the quality of the force, its mission requirements, and its costs, we monitor quality factors closely. Mental ability of people entering military service is one of these factors.

The trends in mental ability of new entries by fiscal year show a modest decline in men coming into military service having above average mental ability. However, the number is adequate to fill jobs requiring complex technical training and the ability to complete such training successfully. There has been a steady increase in the proportion of men entering service with average mental ability, which is adequate for most military jobs. The declining trend in Mental Group IV personnel is the result of emphasis placed on recruiting people with greater mental ability. Overall, the learning capacity of new entries is adequate in meeting job requirements when the proportion of Mental Group IV personnel does not exceed about 22 percent. Conversely, when the overall proportion of Mental Group IV personnel falls below 15 percent, there is a tendency toward many people being under-challenged by their job assignments.

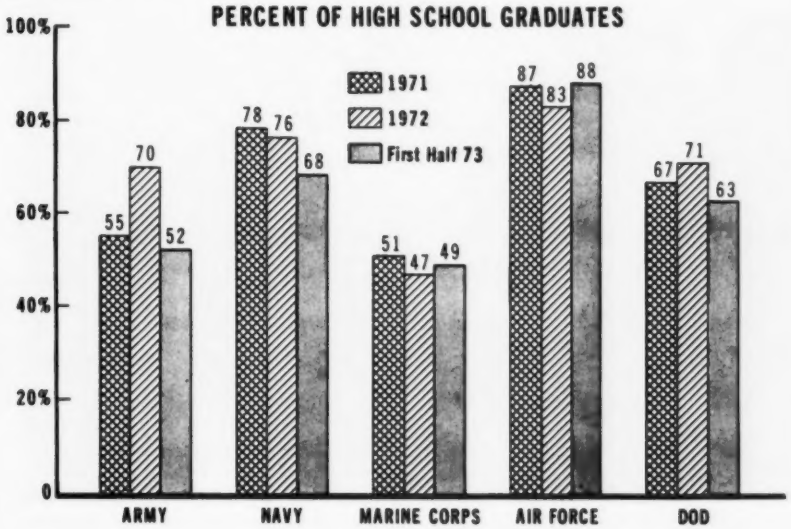
High school graduates have consistently performed better in their military jobs, have had fewer disciplinary problems than those who have not graduated. Hence, special emphasis is placed on attracting a high proportion of young men who have completed high school.

Because of a sharp decline in the percentage of high school graduates among Army enlistees during the first half of FY 1973, the overall percentage of high school graduates among enlistees for all of the Armed Services dropped from 71

Is quality of personnel adequate?



Are Armed Forces enlisting fewer High School graduates?



percent in FY 1972 to 63 percent in the first half of FY 1973. Starting on February 1, 1973, the Army placed a ceiling of 30 percent non-high school graduate enlistments each month. Army recruiters will direct more attention toward high school graduates, and this shift in emphasis should increase the Army percentage of high school graduates to the 70 percent level which is desirable.

Because of the very significant increase in total enlistments during the first seven months of FY 1973 compared to the same period in FY 1972, the total number of high school graduates actually increased from 167,000 during July 1971-January 1972 to 172,000 during July 1972-January 1973.

The overall goal is to obtain people who have the capacity and will to perform the required jobs in a completely satisfactory manner. It may be necessary to offer bonuses to attract people in sufficient numbers for the more difficult jobs, or to use reenlistment bonuses to selectively retain them. Authority for the payment of such bonuses is contained in the Uniformed Services Special Pay Act which awaits action by Congress.

• WOMEN IN THE MILITARY SERVICES

Along with increasing enlistments of men, more women are volunteering for

WOMEN IN UNIFORM—Women are volunteering for military service as individual Services implement plans to increase the number of women serving in a wide variety of job specialties. (U.S. Army Photo)

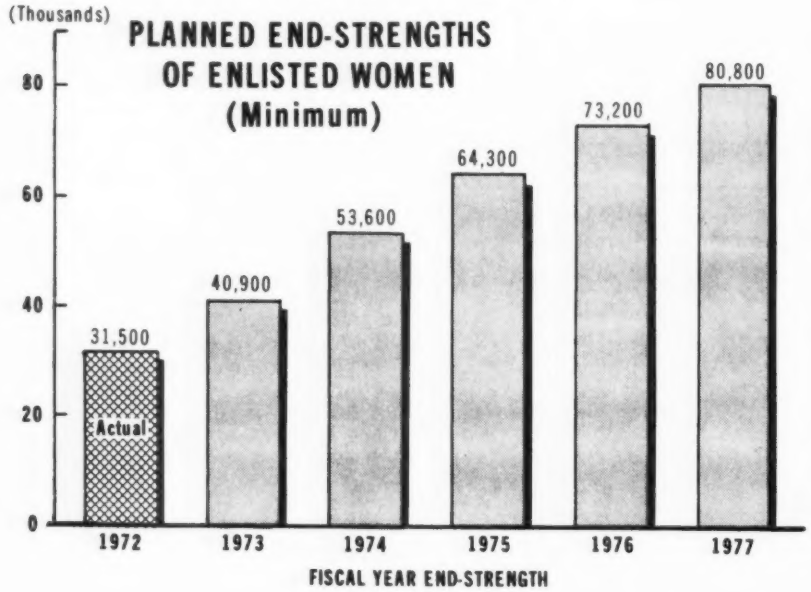
military service as the individual Services implement plans to increase the number of women serving in a wide variety of job specialties. Currently, more than 80 percent of job specialties Defense-wide are open to women.

In FY 1972, 14,000 women enlisted in the four Services combined. FY 1973 goals call for enlisting 21,700 women—an increase of more than 50 percent. Enlistment trends for the first seven months of the fiscal year indicate that the goals for women will be achieved. They are all high school graduates, or have GED equivalents, and have average or above average mental ability.

An important consideration in implementing the All-Volunteer Force is the potential trade-off between men and women. By enlisting more women, fewer men have to be enlisted. Also, because the proportion of women in the Armed Forces is much smaller than men, it is comparatively easy to maintain high quality standards among women entries.

It is likely that the planned end-strengths for women (adjacent chart) will be substantially exceeded in the process of their broader utilization within the Services.

To what extent will the Armed Forces rely on women?



• OFFICER SUPPLY

The Military Services met their requirements for 43,000 new commissioned officers in FY 1972.

In meeting these requirements for new officers, the Services drew on the supply of ROTC graduates who had enrolled in the program in previous years when draft pressure was high. Legislation, which in FY 1973 increased the number of ROTC scholarships and subsistence payments, has thus far been effective in abating any serious decline in ROTC enrollment.

By FY 1974, requirements for new commissioned officers will drop to about 20,000 per year, except for medical officers. Attracting this number, compared with the 28,000 qualified men who will graduate from colleges, should not be a difficult task.

The Uniformed Services Special Pay Act would provide, upon enactment, variable incentive pay that would be useful in raising retention of officers in such fields as nuclear submarines and aviation. With higher retention, any problems in attracting sufficient new officers in these specialized fields would be soluble.

As with enlisted women, there are many more qualified women who seek military service as officers than there are vacancies to fill. Increased use of women in the officer ranks will substantially facilitate the procurement of qualified officers.

Are the Services obtaining sufficient officers?

- **YES, OFFICER SUPPLY IS ADEQUATE OVERALL.**

  For example:

  IN FY 1974: NEED 20,000 (NON-MEDICAL) OFFICERS.
  BUT, 430,000 MEN GRADUATE FROM COLLEGE.
  65% OR 280,000 ARE QUALIFIED
  HENCE, MUST ATTRACT 1 out of 14.

- **ANTICIPATE SOME PROBLEMS IN NUCLEAR SUBMARINE AND AVIATION FIELDS.**
- **SUPPLY OF WOMEN OFFICERS IS MORE THAN ADEQUATE.**

• PHYSICIANS

Since World War II, retention of military physicians, dentists, and other health professionals has been among the most difficult personnel problems for the Services. At present, only one-sixth of the physicians on active duty are serving voluntarily. Another one-sixth serve because of obligations incurred through medical training programs subsidized or provided by DoD. The remaining two-thirds serve because of the "doctor draft." Since the latter group serves for two years, this means that one-third of our physician force turns over each year. The inefficiencies and costs of such a system are obvious.

This problem is made especially critical by two factors. First, there is currently a national shortage of health professionals. Second, there is a big gap between the pay of most military health professionals and their civilian counterparts, particularly in the initial years of practice following completion of their professional training.

Most of the physician entries in recent years have been obtained through the draft or the draft-motivated Berry Plan. This is a program under which an intern defers his obligated military service until completion of specialty training, generally a period of from two to five or more years. A number of physicians are currently in various phases of training under this program can still be called upon to perform their military service as Reserve officers. With continued reliance on those who will be completing their deferments under the Berry Plan, there will be a shortage of physicians by end-FY 1975. We estimate that the shortage by end-FY 1976 would be 2,200 unless there is early action on special pay legislation.

Essentially no real progress has been made since the previous report toward solving the future problem of shortages of physicians, since legislation to overcome the pay gap between military and civilian physicians was not enacted by the 92nd Congress. Neither have the Military Medical Services yet accomplished the efficiencies possible in modern hospital care through new techniques, greater use of paraprofessionals, tri-

Will sufficient physicians volunteer?

- **AS SHOWN BELOW, SHORTAGES OF PHYSICIANS ARE EXPECTED TO DEVELOP.**
- **SOLUTION IS TO DECREASE REQUIREMENTS AND INCREASE VOLUNTEERS, THROUGH SCHOLARSHIPS AND SPECIAL PAY.**

	END FY 73	END FY 74	END FY 75	END FY 76
REQUIREMENTS	13,500	11,800	11,300	11,300
SHORTAGES	None	None	1,400	2,200

PHYSICIAN RETENTION—At present, only one-sixth of the physicians serving on active duty are serving voluntarily; another one-sixth serve because of obligations incurred through medical training programs subsidized or provided by DoD. The remaining two-thirds serve because of the "doctor draft." (U.S. Navy Photo)

COMMANDERS DIGEST

Vol. 13, No. 24; April 19, 1973

A publication of the Department of Defense to provide official and professional information to commanders and key personnel on matters related to Defense policies, programs and interests, and to create better understanding and teamwork within the Department of Defense.

Published weekly by the American Forces Press Service, 1117 N. 19th St., Arlington, Va. 22209, a unified activity of the Office of Information for the Armed Forces, OASD (M&RA). Reproduction of content is authorized.

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Service regionalization of military health care, etc.

The Uniformed Services Special Pay Act embodies corrections to bring pay of military physicians to competitive levels. It is essential that this legislation and other actions be accomplished at an early date so that military health care will not suffer. If these actions, particularly those relating to increased pay, are delayed, the Military Departments can be expected to lose a large number of experienced military health specialists in the immediate future.

• GUARD AND RESERVE

Measures to revitalize the Guard and Reserve described in the August report have continued, and with good results. Yet, Guard and Reserve Forces are just now receiving their severest test.

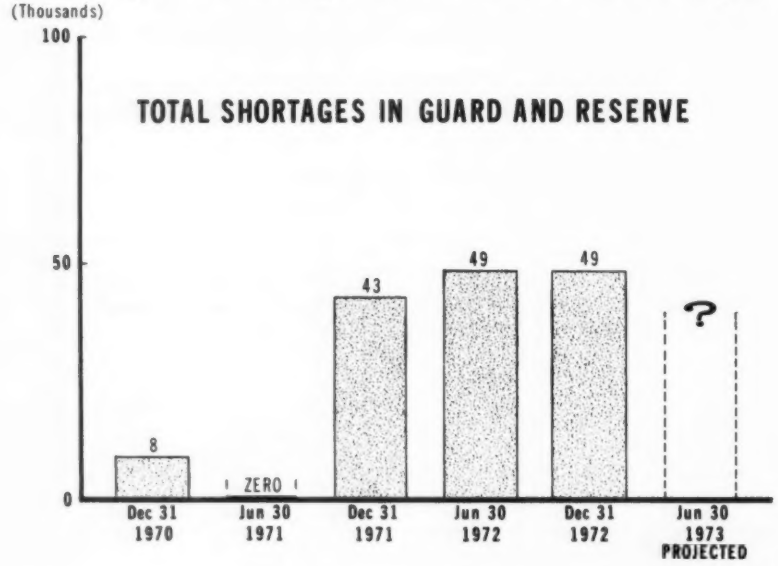
By June 1972, the combined National Guard and Reserve Forces strengths were 49,000—or about 5 percent—below the Congressionally mandated minimum of 972,674 at that time. In FY 1973, mandated strength increased by about 4,000 to 976,559. Despite this increase and substantial losses of Reservists, through greatly increased recruiting efforts, the Reserve Forces managed to end calendar year 1972 with approximately the same shortage. High losses projected over the next five months will offset most of the enlisted gains, so it is expected that there will be some shortage of Selected Reserve personnel at the end of this fiscal year.

On June 22, President Nixon announced the creation of the National Committee for Support of the Guard and Reserve and named Mr. J. M. Roche, former Chairman of the Board of General Motors Corporation, as its Chairman. The efforts of his committee have improved public understanding of the Guard and Reserve role in our Nation's security system and have enlisted the cooperation of those who employ present and prospective members of Guard and Reserve Components. Through its efforts, the Committee has sought to make the American taxpayer realize that a well equipped, fully manned, and readily deployable Guard and Reserve is potentially the most economical part of our national defense system—and that without it, his and the Nation's security are in peril.

While better recruiting and fuller public support are essential for the Reserve Forces, these actions alone are not enough. Needed also is the authority to pay enlistment and reenlistment bonuses to men and women in the Guard and Reserves. These would be provided under a key provision of the Uniformed Services Special Pay Act. The bill would authorize bonuses of up to $2,200 for an enlistment or reenlistment of six years in a critical skill.

Long-time experience with variable reenlistment bonuses in the Active Forces, and experience since June 1972 with the enlistment bonus for ground combat arms in the Active Army and Marine Corps, continue to be favorable. Without a draft, and in order to be effective and fully manned, the Selected Reserve needs the same kinds of financial incentives which have been made available for use in the Active Forces.

How large are shortages in Selected Reserve strength?



Is there a program for civilian substitution?

• YES, PROGRAM IS INCLUDED IN FY 1974 BUDGET TO CIVILIANIZE 31,000 MILITARY POSITIONS BY END-FY 1974:

	Number of Positions
ARMY	10,000
NAVY	10,000
MARINE CORPS	1,000
AIR FORCE	10,000
TOTAL	31,000

• CIVILIAN SUBSTITUTION

Many support-type jobs now filled by military men can be performed effectively and economically by civilians. The expanded use of this alternate source of manpower can further reduce the requirement for male recruits.

When an August 1972 report was published, studies of civilian substitution were underway. In December 1972, the Secretary of Defense instructed the Military Services to initiate immediate programs to civilianize at least 31,000 military positions by end-FY 1974.

Important Needs Remain

As observed earlier in this report, there has been tremendous progress in increasing the number of volunteers, while maintaining quality standards. This has made it possible to end the draft, and it will not be necessary to extend the induction authority beyond its expiration date of July 1, 1973.

It is important that Congress act promptly in passing special pay legislation to assure that it will not be necessary to request reinstatement of the draft at some future time to meet our peacetime manpower requirements.

• SPECIAL PAY LEGISLATION

The Uniformed Services Special Pay Act passed the House of Representatives of the 92nd Congress during the final weeks of its session but failed for lack of action in the Senate.

Each provision of the current Special Pay Act, like its predecessor bill in the 92nd Congress, addresses a specific All-Volunteer Force need. Not every provision would be employed immediately or in the full amount. None would be used if all problems could be solved by other means. However, the provisions would be selectively employed to overcome shortages or deficiencies which remain or develop in the future.

The total FY 1974 cost of the Special Pay Act, assuming all provisions are authorized and are used to the maximum extent from July 1, 1973, would be approximately $225 million.

What will special pay act provide?

• ENLISTMENT BONUS FOR SHORTAGE SKILLS ▷	FLEXIBLE AUTHORITY TO PAY UP TO $3,000 FOR 3-YEAR ENLISTMENT.
• SELECTIVE REENLISTMENT BONUS ▷	AUTHORITY TO PAY UP TO $15,000 TO AN INDIVIDUAL DURING CRITICAL RETENTION YEARS.
• OFFICER VARIABLE INCENTIVE PAY ▷	PAYMENTS OF UP TO $4,000/YR FOR CRITICAL SKILL AREAS DURING 2-11 YEAR PERIOD.
• ENLISTMENT AND REENLISTMENT BONUSES FOR RESERVISTS ▷	BONUSES OF UP TO $2,200 FOR CRITICAL SKILLS OR $1,100 FOR NON-CRITICAL SKILLS.
• MEDICAL OFFICER SPECIAL AND VARIABLE INCENTIVE PAYS ▷	VARIABLE INCENTIVE PAY OF UP TO $15,000/YR. INCREASES SPECIAL PAY FROM $150 TO $350/MONTH.

	FY 1974 COST
• ENLISTMENT BONUS FOR SHORTAGE SKILLS ▷	$43 Million
• SELECTIVE REENLISTMENT BONUS ▷	2
• OFFICER VARIABLE INCENTIVE PAY ▷	20
• ENLISTMENT AND REENLISTMENT BONUSES FOR RESERVISTS ▷	85
• MEDICAL OFFICER SPECIAL AND VARIABLE INCENTIVE PAYS ▷	75
TOTAL	$ 225 Million

• ALL-VOLUNTEER FORCE COSTS

Some early estimates that an All-Volunteer Force would be prohibitively costly have proven incorrect. Many of the costs associated with the All-Volunteer Force program should not even be charged against the program, since they are expenditures that would have been prudent to make under any conditions. Prior to enactment of Public Law 92-129 in November 1971, first-term enlisted men and women did not enjoy competitive pay scales with their civilian peers. As a result, every young soldier, sailor, airman, or marine—inductee and volunteer alike—was paying a large implied tax while serving his country.

If the costs of the November 1971 pay increase (the law was not put into effect immediately) and two subsequent cost-of-living increases on January 1, 1972, and January 1, 1973, are subtracted from the total costs associated with the All-Volunteer Force, the additional annual costs do not exceed $1 billion.

What's Ahead For Volunteer Force

The draft has ended, and induction authority will expire July 1, 1973. With the help of special legislation and continued public support, it should not be necessary to reinstate the draft in the future to meet our peacetime manpower needs.

Enlistment levels reached during the past year match total requirements through FY 1974. The Services have demonstrated the capability of maintaining and exceeding these levels.

The quality of enlistments has been maintained. Moreover, as favorable enlistment trends continue, the Services will be able to reduce the number of disciplinary problems by increasing the proportion of high school graduates among future enlistees.

Increases in the number of highly qualified women enlistees, and the replacement of military members by civilians in support-type jobs, will further reduce the requirement for enlisting men into the Armed Forces.

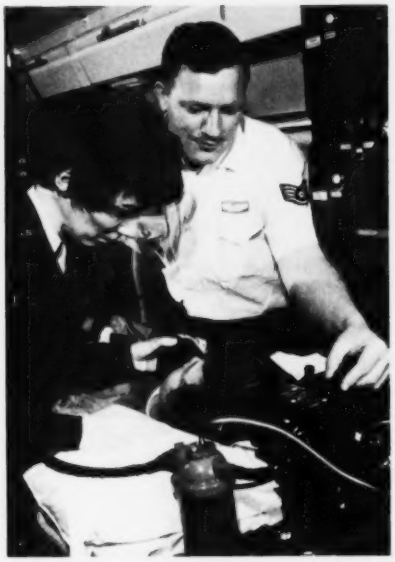
The effectiveness of an enlistment bonus, as a means of attracting new members to skills that are in short supply, has been demonstrated by the successful Army and Marine Corps test of the ground combat arms bonus. More extensive experience with the reenlistment bonus has established its usefulness in obtaining higher retention of personnel who possess critical skills. This authority to use special bonuses for attraction and retention in critical skills is important insurance against having to reinstate the induction authority at some future time to meet peacetime manpower needs.

Shortages in the Guard and Reserve have stabilized at about five percent of the mandated strength of the Selected Reserve. These shortages will decline gradually through continued improvements in Reserve recruiting, in the effectiveness of Reserve training, and in the public support of the Guard and Reserve. However, the Reserve bonus provisions of the Special Pay Act are needed also to assure that Selected Reserve requirements will be met in the future.

As indicated, there will be a shortage of military physicians unless special pay incentives are provided. The Military Services will reduce the health services shortage by improving the efficiency of military health care. Such improvements, combined with additional medical scholarships and special pay incentives, should be sufficient to solve this problem.

Moving to an All-Volunteer Force from a 30 year-old draft system in less than four years is indeed an historic and major achievement. As former Defense Secretary Melvin R. Laird noted in his August 1972, progress report on this subject, great credit is due our military leaders for moving to convert from "conscript" to "volunteer" promptly, aggressively, and with such a high degree of success.

With their leadership, and with continued improvement in the management of our human resources, the Nation's security during peacetime will be best served by the All-Volunteer Force.



VOLUNTEERS—Credit is due military leaders for moving to convert from "conscript" to "volunteer" promptly, aggressively, and with a high degree of success. (U.S. Air Force Photo)

What costs are associated with All-Volunteer Force?

FY 1973		FY 1974
$2,377M	NOV. 1971 & SUBSEQUENT PAY INCREASES	$2,320M
42	ROTC & HEALTH SCHOLARSHIPS	73
48	COMBAT ARMS & NUCLEAR ENLISTED BONUS	68
146	RECRUITING & ADVERTISING	221
11	LIVING QUARTERS IMPROVEMENTS	19
22	EDUCATION PROGRAMS	53
71	OTHER INITIATIVES	156
—	SPECIAL PAY ACT	225
$2,717M	TOTAL	$ 3,135 M

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